

FIRST REGULAR SESSION

# SENATE BILL NO. 554

98TH GENERAL ASSEMBLY

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INTRODUCED BY SENATOR MUNZLINGER.

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Read 1st time February 26, 2015, and ordered printed.

ADRIANE D. CROUSE, Secretary.

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## AN ACT

To repeal section 137.115, RSMo, and to enact in lieu thereof one new section relating to property taxes on quarries.

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*Be it enacted by the General Assembly of the State of Missouri, as follows:*

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Section A. Section 137.115, RSMo, is repealed and one new section  
2 enacted in lieu thereof, to be known as section 137.115, to read as follows:

137.115. 1. All other laws to the contrary notwithstanding, the assessor  
2 or the assessor's deputies in all counties of this state including the city of St.  
3 Louis shall annually make a list of all real and tangible personal property taxable  
4 in the assessor's city, county, town or district. Except as otherwise provided in  
5 subsection 3 of this section and section 137.078, the assessor shall annually  
6 assess all personal property at thirty-three and one-third percent of its true value  
7 in money as of January first of each calendar year. The assessor shall annually  
8 assess all real property, including any new construction and improvements to real  
9 property, and possessory interests in real property at the percent of its true value  
10 in money set in subsection 5 of this section. The true value in money of any  
11 possessory interest in real property in subclass (3), where such real property is  
12 on or lies within the ultimate airport boundary as shown by a federal airport  
13 layout plan, as defined by 14 CFR 151.5, of a commercial airport having a FAR  
14 Part 139 certification and owned by a political subdivision, shall be the otherwise  
15 applicable true value in money of any such possessory interest in real property,  
16 less the total dollar amount of costs paid by a party, other than the political  
17 subdivision, towards any new construction or improvements on such real property  
18 completed after January 1, 2008, and which are included in the above-mentioned  
19 possessory interest, regardless of the year in which such costs were incurred or  
20 whether such costs were considered in any prior year. The assessor shall

21 annually assess all real property in the following manner: new assessed values  
22 shall be determined as of January first of each odd-numbered year and shall be  
23 entered in the assessor's books; those same assessed values shall apply in the  
24 following even-numbered year, except for new construction and property  
25 improvements which shall be valued as though they had been completed as of  
26 January first of the preceding odd-numbered year. The assessor may call at the  
27 office, place of doing business, or residence of each person required by this  
28 chapter to list property, and require the person to make a correct statement of all  
29 taxable tangible personal property owned by the person or under his or her care,  
30 charge or management, taxable in the county. On or before January first of each  
31 even-numbered year, the assessor shall prepare and submit a two-year  
32 assessment maintenance plan to the county governing body and the state tax  
33 commission for their respective approval or modification. The county governing  
34 body shall approve and forward such plan or its alternative to the plan to the  
35 state tax commission by February first. If the county governing body fails to  
36 forward the plan or its alternative to the plan to the state tax commission by  
37 February first, the assessor's plan shall be considered approved by the county  
38 governing body. If the state tax commission fails to approve a plan and if the  
39 state tax commission and the assessor and the governing body of the county  
40 involved are unable to resolve the differences, in order to receive state cost-share  
41 funds outlined in section 137.750, the county or the assessor shall petition the  
42 administrative hearing commission, by May first, to decide all matters in dispute  
43 regarding the assessment maintenance plan. Upon agreement of the parties, the  
44 matter may be stayed while the parties proceed with mediation or arbitration  
45 upon terms agreed to by the parties. The final decision of the administrative  
46 hearing commission shall be subject to judicial review in the circuit court of the  
47 county involved. In the event a valuation of subclass (1) real property within any  
48 county with a charter form of government, or within a city not within a county,  
49 is made by a computer, computer-assisted method or a computer program, the  
50 burden of proof, supported by clear, convincing and cogent evidence to sustain  
51 such valuation, shall be on the assessor at any hearing or appeal. In any such  
52 county, unless the assessor proves otherwise, there shall be a presumption that  
53 the assessment was made by a computer, computer-assisted method or a  
54 computer program. Such evidence shall include, but shall not be limited to, the  
55 following:

56 (1) The findings of the assessor based on an appraisal of the property by

57 generally accepted appraisal techniques; and

58 (2) The purchase prices from sales of at least three comparable properties  
59 and the address or location thereof. As used in this subdivision, the word  
60 "comparable" means that:

61 (a) Such sale was closed at a date relevant to the property valuation; and

62 (b) Such properties are not more than one mile from the site of the  
63 disputed property, except where no similar properties exist within one mile of the  
64 disputed property, the nearest comparable property shall be used. Such property  
65 shall be within five hundred square feet in size of the disputed property, and  
66 resemble the disputed property in age, floor plan, number of rooms, and other  
67 relevant characteristics.

68 2. Assessors in each county of this state and the city of St. Louis may send  
69 personal property assessment forms through the mail.

70 3. The following items of personal property shall each constitute separate  
71 subclasses of tangible personal property and shall be assessed and valued for the  
72 purposes of taxation at the following percentages of their true value in money:

73 (1) Grain and other agricultural crops in an unmanufactured condition,  
74 one-half of one percent;

75 (2) Livestock, twelve percent;

76 (3) Farm machinery, twelve percent;

77 (4) Motor vehicles which are eligible for registration as and are registered  
78 as historic motor vehicles pursuant to section 301.131 and aircraft which are at  
79 least twenty-five years old and which are used solely for noncommercial purposes  
80 and are operated less than fifty hours per year or aircraft that are home built  
81 from a kit, five percent;

82 (5) Poultry, twelve percent; and

83 (6) Tools and equipment used for pollution control and tools and  
84 equipment used in retooling for the purpose of introducing new product lines or  
85 used for making improvements to existing products by any company which is  
86 located in a state enterprise zone and which is identified by any standard  
87 industrial classification number cited in subdivision (6) of section 135.200,  
88 twenty-five percent.

89 4. The person listing the property shall enter a true and correct statement  
90 of the property, in a printed blank prepared for that purpose. The statement,  
91 after being filled out, shall be signed and either affirmed or sworn to as provided  
92 in section 137.155. The list shall then be delivered to the assessor.

93           5. All subclasses of real property, as such subclasses are established in  
94 Section 4(b) of Article X of the Missouri Constitution and defined in section  
95 137.016, shall be assessed at the following percentages of true value:

- 96           (1) For real property in subclass (1), nineteen percent;  
97           (2) For real property in subclass (2), twelve percent; and  
98           (3) For real property in subclass (3), thirty-two percent.

99           6. Manufactured homes, as defined in section 700.010, which are actually  
100 used as dwelling units shall be assessed at the same percentage of true value as  
101 residential real property for the purpose of taxation. The percentage of  
102 assessment of true value for such manufactured homes shall be the same as for  
103 residential real property. If the county collector cannot identify or find the  
104 manufactured home when attempting to attach the manufactured home for  
105 payment of taxes owed by the manufactured home owner, the county collector  
106 may request the county commission to have the manufactured home removed from  
107 the tax books, and such request shall be granted within thirty days after the  
108 request is made; however, the removal from the tax books does not remove the tax  
109 lien on the manufactured home if it is later identified or found. For purposes of  
110 this section, a manufactured home located in a manufactured home rental park,  
111 rental community or on real estate not owned by the manufactured home owner  
112 shall be considered personal property. For purposes of this section, a  
113 manufactured home located on real estate owned by the manufactured home  
114 owner may be considered real property.

115           7. Each manufactured home assessed shall be considered a parcel for the  
116 purpose of reimbursement pursuant to section 137.750, unless the manufactured  
117 home is real estate as defined in subsection 7 of section 442.015 and assessed as  
118 a realty improvement to the existing real estate parcel.

119           8. Any amount of tax due and owing based on the assessment of a  
120 manufactured home shall be included on the personal property tax statement of  
121 the manufactured home owner unless the manufactured home is real estate as  
122 defined in subsection 7 of section 442.015, in which case the amount of tax due  
123 and owing on the assessment of the manufactured home as a realty improvement  
124 to the existing real estate parcel shall be included on the real property tax  
125 statement of the real estate owner.

126           9. The assessor of each county and each city not within a county shall use  
127 the trade-in value published in the October issue of the National Automobile  
128 Dealers' Association Official Used Car Guide, or its successor publication, as the

129 recommended guide of information for determining the true value of motor  
130 vehicles described in such publication. The assessor shall not use a value that  
131 is greater than the average trade-in value in determining the true value of the  
132 motor vehicle without performing a physical inspection of the motor vehicle. For  
133 vehicles two years old or newer from a vehicle's model year, the assessor may use  
134 a value other than average without performing a physical inspection of the motor  
135 vehicle. In the absence of a listing for a particular motor vehicle in such  
136 publication, the assessor shall use such information or publications which in the  
137 assessor's judgment will fairly estimate the true value in money of the motor  
138 vehicle.

139         10. Before the assessor may increase the assessed valuation of any parcel  
140 of subclass (1) real property by more than fifteen percent since the last  
141 assessment, excluding increases due to new construction or improvements, the  
142 assessor shall conduct a physical inspection of such property.

143         11. If a physical inspection is required, pursuant to subsection 10 of this  
144 section, the assessor shall notify the property owner of that fact in writing and  
145 shall provide the owner clear written notice of the owner's rights relating to the  
146 physical inspection. If a physical inspection is required, the property owner may  
147 request that an interior inspection be performed during the physical  
148 inspection. The owner shall have no less than thirty days to notify the assessor  
149 of a request for an interior physical inspection.

150         12. A physical inspection, as required by subsection 10 of this section,  
151 shall include, but not be limited to, an on-site personal observation and review  
152 of all exterior portions of the land and any buildings and improvements to which  
153 the inspector has or may reasonably and lawfully gain external access, and shall  
154 include an observation and review of the interior of any buildings or  
155 improvements on the property upon the timely request of the owner pursuant to  
156 subsection 11 of this section. Mere observation of the property via a drive-by  
157 inspection or the like shall not be considered sufficient to constitute a physical  
158 inspection as required by this section.

159         13. The provisions of subsections 11 and 12 of this section shall only apply  
160 in any county with a charter form of government with more than one million  
161 inhabitants.

162         14. A county or city collector may accept credit cards as proper form of  
163 payment of outstanding property tax or license due. No county or city collector  
164 may charge surcharge for payment by credit card which exceeds the fee or

165 surcharge charged by the credit card bank, processor, or issuer for its service. A  
166 county or city collector may accept payment by electronic transfers of funds in  
167 payment of any tax or license and charge the person making such payment a fee  
168 equal to the fee charged the county by the bank, processor, or issuer of such  
169 electronic payment.

170         15. Any county or city not within a county in this state may, by an  
171 affirmative vote of the governing body of such county, opt out of the provisions of  
172 this section and sections 137.073, 138.060, and 138.100 as enacted by house bill  
173 no. 1150 of the ninety-first general assembly, second regular session and section  
174 137.073 as modified by house committee substitute for senate substitute for  
175 senate committee substitute for senate bill no. 960, ninety-second general  
176 assembly, second regular session, for the next year of the general reassessment,  
177 prior to January first of any year. No county or city not within a county shall  
178 exercise this opt-out provision after implementing the provisions of this section  
179 and sections 137.073, 138.060, and 138.100 as enacted by house bill no. 1150 of  
180 the ninety-first general assembly, second regular session and section 137.073 as  
181 modified by house committee substitute for senate substitute for senate  
182 committee substitute for senate bill no. 960, ninety-second general assembly,  
183 second regular session, in a year of general reassessment. For the purposes of  
184 applying the provisions of this subsection, a political subdivision contained within  
185 two or more counties where at least one of such counties has opted out and at  
186 least one of such counties has not opted out shall calculate a single tax rate as  
187 in effect prior to the enactment of house bill no. 1150 of the ninety-first general  
188 assembly, second regular session. A governing body of a city not within a county  
189 or a county that has opted out under the provisions of this subsection may choose  
190 to implement the provisions of this section and sections 137.073, 138.060, and  
191 138.100 as enacted by house bill no. 1150 of the ninety-first general assembly,  
192 second regular session, and section 137.073 as modified by house committee  
193 substitute for senate substitute for senate committee substitute for senate bill no.  
194 960, ninety-second general assembly, second regular session, for the next year of  
195 general reassessment, by an affirmative vote of the governing body prior to  
196 December thirty-first of any year.

197         16. The governing body of any city of the third classification with more  
198 than twenty-six thousand three hundred but fewer than twenty-six thousand  
199 seven hundred inhabitants located in any county that has exercised its authority  
200 to opt out under subsection 15 of this section may levy separate and differing tax

201 rates for real and personal property only if such city bills and collects its own  
202 property taxes or satisfies the entire cost of the billing and collection of such  
203 separate and differing tax rates. Such separate and differing rates shall not  
204 exceed such city's tax rate ceiling.

205       **17. Quarry and mining property shall be assessed based upon**  
206 **previous year's production.**

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Bill

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